

Town of Richmond Affordable Housing Plan



The Housing Element of the Richmond Community Comprehensive Plan

December 2005

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INTRODUCTION

The Comprehensive Plan is concerned with 2 primary housing issues - the distribution of housing sites, Richmond's dominant land use, and meeting housing needs. This section describes the housing goals and discusses housing demand, supply and needs. Demand for housing is associated with demographic and economic factors. Housing supply encompasses the number and type of dwelling units, tenure and costs. Housing need pertains to the number of dwellings that should be built during the next 25 years and the affordability of housing.

In 2004, the Rhode Island General Assembly passed legislation in response to affordable housing needs. Amendments to the existing Low and Moderate Income Housing Act (RIGL 45-53) implement a statewide plan to provide safe and affordable housing to low and moderate income families, the elderly, low wage workers and their families. The Washington County Regional Planning Council (WCRPC), seeing the significant challenges and opportunities posed by new state law and the undeniable need for affordable housing, decided to take action.

In October 2003 the WCRPC commissioned BC Stewart & Associates (BCSA) and Bay Area Economics (BAE) to develop an affordable housing plan for Washington County and two Kent County communities. WCRPC conceived of a two-pronged approach: (1) a regional affordable housing strategy, to include all nine Washington County communities and two Kent County communities; and (2) nine housing plans, each tailored to the individual participating community. Richmond was one of the nine towns to participate. The BC Stewart Affordable Housing Plan can be reviewed as appendix M of this Plan.

HOUSING GOALS

With Richmond's population and estimates and economic development prospects in mind, the town should designate sites for residential development so as to:

- | | |
|--------------|--|
| HSG 1 | Accommodate a population of 8,042 in the year 2010. |
| HSG 2 | Provide a sufficient and affordable range of housing types given the needs of residents (especially the elderly, low to moderate income residents, and the homeless) and the capacities of the town's natural resources, public facilities and services, water availability, and finances. |
| HSG 3 | Enhance Richmond's historical and cultural resources. |
| HSG 4 | Strengthen the identity and character of Richmond's mill villages. |

HOUSING DEMAND

The demand for housing mirrors demographic and economic development processes. According to the Rhode Island Economic Policy Council, Rhode Island currently experiences a shortage of 3,000 housing units, leading to one of the fastest-growing housing prices in the state's history. Since the mid-1970's the demand for housing in Richmond has been strongly influenced by 2 patterns of household formation: Residents in the 35-44 age group (many of whom are "trading-up") and First time home buyers whose median age is about 28 years. It may be that Richmond's appeal to both groups of "Baby Boomers" has been the availability of moderately priced lots and dwellings, the town's accessibility and its environmental amenities. As shown in the 2000 census, approximately 89 percent of workers ages 16 and older commute to work in an automobile alone with a mean travel time to work of 29.7 minutes.

Several demographic trends are likely to shape housing during the planning period they are:

- * Continuing migration to Richmond,
- * Declining household sizes and
- *The aging of the population.

Just as influential is the outlook of town residents. Town residents were asked, "How many additional dwelling units do you feel should be built in the next twenty years?" Their averaged response was 710 dwellings. In contrast, building permits for 642 dwellings were issued between 1980 and 1990. Considering that the period from 1980-1990 has been categorized as an unprecedented α boom time by many in the real estate community, it is unlikely that these high building rates will be seen in the planning horizon for this plan.

Housing demand is also stimulated by economic factors such as interest rates, construction and land costs, as well as local and regional employment levels. Income related factors are particularly important in that they often limit housing choices by defining "Affordability" for each household. Migration to Richmond has coincided with Rhode Island's thriving economy of the 1980's which benefited many town residents. The distribution of their incomes is listed in Table H-1.

**TABLE H-1
PERCENTAGE DISTRIBUTION OF NOMINAL INCOMES
TOWN OF RICHMOND**

| | 1979 | 1986 | 1988 | 1989 | 2000 |
|---------------------|----------|----------|----------|----------|----------|
| 0 – \$14,999 | 28.5% | 14.7% | 14.6% | 8% | 5.5% |
| \$15,000- 24,999 | 39.7% | 23.1% | 18.2% | 15% | 3.9% |
| \$25,000- 49,999 | 29.8% | 48.9% | 49.1% | 42% | 28% |
| \$50,000 + | 2.0% | 13.9% | 17.3% | 35% | 62.5% |
| MEDIAN INCOME | \$20,157 | \$30,051 | \$34,100 | \$40,975 | \$59,840 |

Sources: General Social & Economic Characteristics, United States Bureau of the Census, 1980
Urban Decisions, Inc. 1986
Caci, 1988
Rhode Island Housing and Mortgage Finance Corporation, 1990
Rhode Island Statewide Planning Program, 2000

Richmond is a relatively prosperous community. In 2003, Richmond had a median household income of \$66,033 compared to a regional median household income of \$62,920. Richmond had far fewer households, proportionately, with incomes below \$35,000 than in the southern region of Rhode Island. Only 17 percent of households had incomes less than \$35,000 per year, compared to 27 percent of households in the study region (BCSA/BAE, 2004).

While there has been an increase in percentage of houses with incomes of \$50,000 or greater, Richmond has simultaneously experienced an increase of median income from \$40,975 in 1989 to \$59,840 in 2000. During this time period, as seen in Table H-1, Richmond has had a decrease in the proportion of low-income households, dropping to 5.5% of houses with incomes less than or equal to \$14,999 and 3.9% of houses with incomes between \$15,000 and \$24,999. Richmond has a solid moderate- and middle- income base of residents, with over 50 percent of households with incomes between \$25,000 and \$75,000. Equally, Richmond has experienced a slight increase in the low to moderate income population. Low to moderate income households are defined as those households which fall at or below 80 percent of the median income. There are currently 744 households in Richmond (renters or owners) who meet the criteria of low to moderate income households. This data is shown in Table H-8.

Guidelines established by the U.S. Department of Housing and Urban Development (HUD) recommend that households pay no more than 30 percent of their incomes for housing (rent and utilities). HUD also uses a different set of incomes to describe their median income households. There is no data on the incomes of the 31 households that earn less than \$10,000 per year. However, 100 percent of households earning \$10,000 to \$20,000 per year pay more than 30 percent of their incomes for rent. Overall, available data identifies 18 households in Richmond

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that are burdened by high rent payments. It is likely that many of the 31 households earning less than \$10,000 are also cost-burdened by rent. A look at the distribution of rental cost-burdened households by the age of the householder (U.S. Census, 2000) shows that all of the households paying in excess of 30 percent in income for rent were less than 55 years of age. In fact, the census data did not show any senior renter households (aged 65 years or older) in Richmond.

HOUSING SUPPLY

Recent housing supply trends show that in Richmond, the surrounding towns, and the state, the number of available dwelling units is at a deficit. According to Rhode Island Economic Policy Council, the housing stock in Rhode Island is currently at a shortage of 3,000 units. Because Washington County has experienced significant population growth in the past several decades, and the housing supply has failed to meet new housing demands, the cost of housing in Rhode Island is experiencing unusual amounts of inflation in housing prices. In response to this, Richmond's rate of housing construction continues to increase from 1970. From 1990 to 2000, Richmond increased its total number of dwelling units by nearly 40 percent (U.S. Bureau of the Census, 2000).

**TABLE H-2
HOUSING SUPPLY:
TOTAL NUMBER OF DWELLING UNITS, 1970-2000**

| | 1970 | 1980 | 1990 | 2000 | % Increase from 1990-2000 |
|--------------------|-------|-------|-------|--------|------------------------------|
| RICHMOND | 803 | 1,384 | 1,874 | 2,620 | 39.8 |
| CHARLESTOWN | 1,971 | 3,064 | 4,256 | 4,797 | 12.7 |
| EXETER | 795 | 1,390 | 1,919 | 2,196 | 14.4 |
| HOPKINTON | 1,693 | 2,264 | 2,662 | 3,112 | 16.9 |
| SOUTH KINGSTOWN | 6,020 | 8,138 | 9,806 | 11,219 | 15.1 |

Sources: BC Stewart & Associates, 2004., Planning Staff, Town of Richmond
United States Bureau of the Census, 2000

**TABLE H-3
RESIDENTIAL DEVELOPMENT: TOWN OF RICHMOND
NEW SINGLE FAMILY HOME BUILDING PERMITS: 1985-2004**

| | |
|--------------|--------------------|
| 1985 | 63 PERMITS |
| 1986 | 98 PERMITS |
| 1987 | 110 PERMITS |
| 1988 | 91 PERMITS |
| 1989 | 72 PERMITS |
| 1990 | 74 PERMITS |
| 1991 | 34 PERMITS |
| 1992 | 33 PERMITS |
| 1993 | 87 PERMITS |
| 1994 | 64 PERMITS |
| 1995 | 68 PERMITS |
| 1996 | 40 PERMITS |
| 1997 | 74 PERMITS |
| 1998 | 76 PERMITS |
| 1999 | 80 PERMITS |
| 2000 | 56 PERMITS |
| 2001 | 50 PERMITS |
| 2002 | 47 PERMITS |
| 2003 | 44 PERMITS |
| 2004* | 41 PERMITS |

Notes: * data is up to date as of November 2004

Sources: BC Stewart & Associates, 2004.
Planning Staff, Town of Richmond

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Table H-3 shows residential development trends that occurred from 1985-2004. Because Richmond is overwhelmingly a town of families and homeowners, the number of single family home building permits is an accurate gauge of the growth in Richmond. In 2000, 80 percent of households were families and 91 percent of households were homeowners. When compared to other towns in the southern region of Rhode Island, Richmond has the highest rate of homeownership. However, as Richmond becomes a more affordable town, multi-family ownership will be encouraged, not only rentals. New residential development proposals could be made up of both single-family homes sold at market rates and duplexes with subsidies. This type of development will be encouraged, and in some instances required, town wide.

Though the number of permits seen above reflects the growth rate cap of 36 permits per year (with few exceptions), the attraction for residents to move to a more rural landscape such as Richmond remains. The number of building permits issued generally reflects regional economic cycles with low production rates matching recessions. Though the building permit cap went into effect in 1995, Table H-3 shows a much higher issuance of building permits since 1995. This is because of grandfathering lots and subdivisions of land that were created prior to 1995 that kept their exemptions. The number of grandfathered lots and subdivisions will be fewer and fewer in the coming years until all grandfather lots have redeemed their exemptions.

Eighty percent of the town's 1252 occupied dwelling units were owner-occupied in 1980. Because of the preferences for single family houses during the 1980's, slightly less than 90% of the housing stock was owner-occupied in 1990.

Housing prices appreciated in Richmond during the 1980's, as in many other Rhode Island cities and towns. The Rhode Island Housing and Mortgage Finance Corporation painted this picture in its 1989 annual report:

"...in the last several years, prices have jumped six times faster than incomes, and rents increased 248%.

...Rhode Island, once a housing bargain, now ranks among the most expensive locations to live in the country... "

As shown in Table H-4, median sales prices of existing single family homes in Richmond during this period were typically lower than those in the surrounding towns, but slightly higher than the statewide median housing prices. Even though local housing prices nearly tripled between 1980 and 1989, in 1993 the median price for a single family house in Richmond dropped 12% to \$118,000 from \$135,500.

**TABLE H-4
MEDIAN SALES PRICES
SINGLE FAMILY HOMES**

| TOWN | 1970 | 1980 | 1990 | 1993 | 2000 | 2004 |
|------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| SOUTH KINGSTOWN | \$18,900 | \$55,900 | \$158,700 | \$125,500 | \$171,200 | \$334,250 |
| HOPKINTON | \$16,800 | \$48,700 | \$133,100 | \$110,000 | \$137,500 | \$230,000 |
| RICHMOND | \$16,900 | \$49,800 | \$135,500 | \$118,000 | \$134,250 | \$240,000 |
| EXETER | \$15,300 | \$54,100 | \$149,600 | \$129,750 | \$166,200 | \$338,950 |
| CHARLESTOWN | \$17,900 | \$58,800 | \$161,000 | \$132,000 | \$152,700 | \$290,900 |
| STATE OF RI | \$18,300 | \$47,000 | \$133,500 | \$116,000 | \$133,000 | \$235,000 |

Source: Rhode Island Association of Realtors, 1991 and 2004
Rhode Island Housing, 1993
United States Bureau of the Census, 2000

Almost all for-sale housing in Richmond is priced out of reach of low and moderate income households, and Table H-4 indicates the need for more affordable housing options in Richmond. Richmond's median sales price rose at an annual rate of nearly 19 percent between 2000 and 2003—from \$134,250 to \$225,000.¹ Richmond's median sales price from 2003 to 2004 rose significantly at a rate of more than 18% to a median of \$240,000.² Based on recorded home sales for the most recent twelve-month period, 88 percent of all home sales in Richmond were priced \$150,000 or above. Over 61 percent of all home sales were sold for \$200,000 or more. Based on interviews with real estate agents, it is likely that these sales figures significantly overstate the availability of affordable housing. Current prices for vacant, ready-to-build land range from \$80,000 to over \$140,000 per acre. It is most likely that sales below \$150,000 were between relatives or close associates, as well as vacant land to be used for new construction.

A recent search by BC Stewart & Associates of Multiple-Listing Service (MLS) real estate offerings in Richmond did not report a single condominium or single-family home for-sale for less than \$150,000. In Richmond only one condominium was for-sale for less than \$200,000. The real estate listings reinforce realtor interviews that describe the few low-cost housing units available as small one-bedroom apartments, unsuitable for families.

Richmond has relatively few renter households compared to the southern region as a whole and in recent years Richmond has been slow to construct multi-family housing. Over 90 percent of all householders in Richmond own their homes. The high number of homeowners is mirrored in the

¹ Source: BAE and The Warren Group, 2003.

² Source: Rhode Island Association of Realtors, 2004.

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relative scarcity of multi-family housing units and mobile homes. Slightly over 90 percent of all housing units in Richmond are single-family homes. Richmond does not have any publicly-assisted housing, and there are only twelve Section 8 vouchers-holders renting in the town. Richmond has issued relatively few building permits for the construction of multi-family housing units since 1996. Further, the steep appreciation in housing prices is likely to limit the availability of single-family homes as affordable rentals. Mobile homes account for 4.7 percent of Richmond's total housing stock and, depending upon the condition of existing homes, represent a significant supply of affordable homes.

Almost half of all monthly rents in 2000 were between \$500 and \$750. Richmond has almost no rental housing currently available to households with extremely low incomes. Richmond currently does not have public housing and there are only twelve Section 8 vouchers-holders renting in the town. The median monthly rent increased from \$162 in 1980 to \$569 in 1990 to \$620 in 2000.

During 2002 the Town rezoned a combined 456 acres of Planned District (PD) and 2-acre residential (R-2) into two new zoning districts Planned Unit Development Village Center (PUDVC) and Flex Tech (FT) for the 552-acre development known as Richmond Commons. 186 acres of the property was rezoned PUDVC which will allow for high density (400 units) age restricted housing (at least one occupant being age 55 or older) that is not subject to the existing building permit cap with a required minimum of ten percent (10%) of those units being dedicated to low and moderate income as defined by the State. In addition to the high density residential the PUDVC zoning designation will allow for mixed use commercial and residential development in the area. The Flex Tech zoning designation will allow for additional commercial development on the rear 270 acres of the property. The proposed development of Richmond Commons, which may also include an age-restricted congregate care facility and 400 age-restricted housing units, may begin in the next few years. This will help to alleviate some of the shortfall for elderly housing. It may also represent an opportunity for Richmond to take a more proactive approach to implementing affordable housing into proposed development schemes.

As the BC Stewart Affordable Housing study suggests, it is possible for Richmond to work with non-profit housing organizations to consider density bonuses for low-income housing or exemptions from the existing building permit cap if affordable housing is deemed necessary. The Richmond Planning Department is currently working with the Woman's Development Corporation towards the development of a HUD 202 grant funded 100 age restricted (age 62 and older) low to moderate income unit apartment complex along the Richmond water line on Route 138. In addition, with the development of a water district in the village of Shannock, the Town and the Woman's Development Corporation are researching infill opportunities as well as a larger multi-family low to moderate income housing development with some market rate units to also be included in the development.

The Town currently exempts all low to moderate income development (that meets the State definition) from the Town's building permit cap and these developments are also exempt from the

Town's development impact fees. These exemptions are considered Town subsidies by the current Low and Moderate Income Housing Act (45-53).

HOUSING STOCK

AGE

The following table, H-5, indicates the housing units by age of construction in Richmond, as of 2000.

**Table H-5
HOUSING UNITS BY AGE**

| PERIOD | NUMBER OF UNITS | % OF TOTAL |
|---------------------|------------------------|-------------------|
| BEFORE 1940 | 233 | 9.0% |
| BETWEEN 1940 – 1979 | 865 | 33.7% |
| BETWEEN 1980 – 1990 | 776 | 30.2% |
| BETWEEN 1990 – 2000 | 695 | 27.1% |

The state averages for these periods are 34% for pre 1940, 50.9% for 1940-1979, and 15.1% for 1980-1990. In comparison, Richmond has a relatively new housing stock compared to the state average. While the 1940-1979 percentage is similar, Richmond has far fewer older housing units in the pre 1940 category, and far greater percentage in the recent 1980-1990 period than does the state as an average. Over 87% of all Richmond's housing stock was constructed between 1940 and 1990.

CONDITION

The following table, H-6, indicates the total number and percentage of housing units in Richmond and their general condition.

**TABLE H-6
HOUSING CONDITION - 1990**

| CONDITION | NUMBER OF UNITS | PERCENTAGE |
|---|------------------------|-------------------|
| GOOD CONDITION | 1856 UNITS | 98.8% |
| SUB-STANDARD -- LACKING PLUMBING & KITCHEN FACILITIES | 18 UNITS | 1.2% |

HOUSING TYPE

The following breakdown in Table H-7 illustrates the type of housing in Richmond as regards number of units per building.

**Table H-7
HOUSING TYPE – 1990 - 2000**

| TYPE | NUMBER OF UNITS | |
|--------------------------|------------------------|-------------|
| | 1990 | 2000 |
| SINGLE FAMILY | 1636 | 2363 |
| 2-4 UNITS | 116 | 127 |
| 5 PLUS UNITS | 8 | 8 |
| MOBILE HOME/OTHER | 114 | 122 |
| TOTAL UNITS | 1874 | 2620 |

In 1994, there were no subsidized or unsubsidized federally assisted housing units in Richmond, including elderly/handicapped and family/SRO units. As one might expect given the proportion of homeowners, the vast majority of housing units in Richmond consist of single-family homes. Over 90 percent of homes in Richmond are single-family homes, compared to 77 percent in the study region. Richmond has relatively few multi-family units (127 units) and mobile homes (122). Mobile homes do, however, represent 4.7 percent of the total housing units in Richmond. As the demographic data show, Richmond is a fast growing community. Over 70 percent of all homes in Richmond were constructed since 1970 (Source: BC Stewart & Associates, 2004). Nearly 27 percent of all homes in Richmond have been built since 1990. According to the U.S. Census, 695 units of housing were constructed in Richmond between 1990 and 2000. However, Richmond has been very slow to construct multi-family housing – whether owned or rented. Census data indicate that no multi-family units have been constructed since 1996, although the planning staff notes that because of the way permits were issued, this data does not reflect some multi-family units that were built in 1999 and 2002. In 2000, only 5.2 percent of Richmond’s housing stock consisted of multi-family residential units. Building permit data from 1996 to August 2004 show an annual construction range from 40 to 80 new single-family homes per year. Future housing growth will be limited by Richmond’s adoption of a growth management plan. The Growth Rate Ordinance limits market-rate building permits to 36 new housing units per year, with certain projects and subdivisions grand-fathered for a period of time (described after Table H-3), as well as allowing exemptions for affordable housing units. In practice, Richmond has averaged approximately 50 building permits per year since 2000. Given that the number of building permits have fallen each year since the growth management plan was approved in 1995, this analysis uses the 2002 figure of 47 building permits for projections of new construction. Richmond’s creative use of zoning and development incentives will significantly affect the actual volume of new construction of affordable housing.

In order to promote a wider range of affordable housing development options, the Richmond Zoning Ordinance will be amended in the following manner:

- Based on the recently-completed GIS analysis, the zoning map will be amended to designate areas that can support higher density housing.
- The creation of incentive districts will be researched for their potential to allow a mix of affordable units, market rate units, and commercial development in existing commercial and village districts.
- The accessory apartment section of the ordinance will be amended to encourage the development of more accessory households dwelling units.
- The growth rate control section of the ordinance will be amended to exempt age-restricted housing in all zoning districts.

In addition, the Planning Board and Town Council also will undertake the following:

- The Planning Department and the Planning Board will cooperate with developers of projects currently proposed or under review to attempt to incorporate low and moderate income housing into those projects.
- The Planning Board and the Town Council will revise the Proportionate Share Development Fee section of the zoning ordinance to reflect new and proposed school-related construction.

Prior to these options being offered, the Town must have its affordable housing plan approved by the State. The Town can then make changes to the Zoning Ordinance to allow the Planning Board the flexibility of allowing density bonuses for affordable housing for applications that wish to include affordable housing units at a higher density that are not submitted under a comprehensive permit application. The Planning Board will not issue density bonuses if they feel that critical natural resources will be jeopardized or will lead to environmental constraints.

In addition, the Planning Board will have the option of approving or disapproving any of the aforementioned methods based upon the carrying capacity of the land, any critical resources present on or adjacent to the site that may be negatively impacted, environmental and traffic concerns, lack of infrastructure, or any factor that will negatively affect the health, safety and welfare of the public.

The Town has completed a parcel based Geographic Information Systems (GIS) complete build-out analysis for the Town using the recently created GIS parcel data. Richmond's GIS consultant is currently completing an analysis of the parcels in Town for their development potential for higher density building for affordable housing production. The analysis, which will consider environmental constraints and existing and proposed infrastructure, will help the town determine the best areas and parcels for construction of

low and moderate income housing.

HOUSING NEEDS

Richmond is confronted with the challenge of developing sufficient affordable housing to meet the state's 10 percent affordability threshold. State law requires that each city and town provide affordable, accessible, safe, and sanitary housing for its citizens (R.I.G.L. 45-53). In 2002, Richmond had 53 certified affordable housing units out of a total of 2,592 year-round housing units. In 2004, Richmond had 63 certified low and moderate income (LMI) housing units according to Rhode Island Housing. Based on the State's threshold of 10 percent affordability, Richmond has the need for 196 additional units of affordable housing. If Richmond were able to construct the additional 196 LMI units today, it would bring Richmond's affordable housing from 2.43% to 10%.

The expansion of senior housing for current Richmond residents through the potential construction of Richmond Commons might place older, less-costly housing stock onto the marketplace for moderate-income families. In many towns, this older housing stock is being torn down and replaced by newer higher priced homes. Though this phenomenon is not yet occurring in Richmond, it will be necessary for Richmond to strongly encourage the reuse of older housing for moderate-income families. As older Richmond residents move into senior housing, older moderate-priced homes may become available to younger families, and subsequently, lower-income rentals may become available to working young adults or students.

According to the most current data available, Richmond neighborhoods provide 2,592 units of housing for a population of 7,222. As mentioned earlier, only about 2.43 percent of those units meet the statutory definition of affordable housing.

As of 2005, Richmond would need 218 additional units of LMI housing to meet the 10 percent threshold. In the Housing Strategies section following this section, the methods, actions and techniques that the Town will use to ensure that the Town increases its affordable housing stock by 218 units as well as creating a minimum of ten percent (10%) of its new constructions as affordable housing will be presented.

One can see from the data in Table H-8 that the reported need for affordable housing far exceeds the number of additional units (218 by 2005) Richmond would be required to produce to meet the 10 percent threshold as currently defined by the state. This table exemplifies the current deficit that Richmond has for affordable housing. However, it does not take into account the low-income houses that are not currently counted under the State definition of 10% affordable housing, i.e. trailer parks.

Because Richmond is made up almost entirely of homeowners, the small percentage of renter households in Richmond is reflected in the low number of low-income renter households with acute housing needs (as seen by the CHAS data). There are a large number of homeowners and renters with significant housing-cost burdens. Overall, 284 homeowners face significant housing-cost burdens (including utilities and insurance, as well as mortgage costs). Elderly households represent 28.8 percent of cost-burdened

households, and families represent 49.5 percent of cost-burdened households. The U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data identifies 364 households in Richmond with incomes at or below 80 percent of median income who have excessive housing costs. In contrast, Richmond could meet the state's 10 percent affordability threshold through the construction of an additional 218 units in 2005 of low and moderate income housing. The CHAS data suggest a need for affordable housing (or supportive programs) in excess of the state affordability mandate.

TABLE H-8
HOUSING NEEDS FOR HOUSEHOLDS
AT OR BELOW 80 PERCENT OF MEDIAN INCOME BY CHAS DATA

| Household Type | Proportional Need for <= 80% AMI projected by 2000 CHAS | # of LMI Units Needed by 2010 (=313*CHAS %)* | Existing Supply | Future Need (=2000 CHAS proportion-existing supply) | In Planning by 2010 |
|------------------------|---|---|------------------------|--|----------------------------|
| Elderly (105/364) | 28.8% | 90 | 0 | 90 | 140 |
| Family (180/364) | 49.5% | 155 | 20 | 135 | 158 |
| Other (79/364) | 21.7% | 68 | 45 | 23 | 50 |
| Total LMI Units | 100% | 313 | 65 | 248 | 348 |

*Assumes annual growth rate of 60 units (48 LMI units/yr PLUS 12 market-rate units) as projected on Page 25.

Source: CHAS database, 2003

BCSA/BAE, February, 2004

The housing needs of low and moderate income households in Richmond may be examined further through the use of the U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database (CHAS). Low and moderate income households are households with incomes less than or equal to 80 percent of median income. Households with housing needs are defined as those households that pay more than 30 percent of household income for shelter or households that live in substandard conditions. This delineation contains special needs populations. According to the Rhode Island Emergency Shelter Annual Report for 2002-2003, 19 people identified Richmond as their last place of residence, totaling .3% of the homeless population. In Table H-8, the "other" category of types of households is defined as single-occupant households or households composed of non-relatives; it is considered a "catch-all" phrase from HUD.

Richmond has calculated projections for future households and future affordable units to the year 2010, as will be described in Table H-12. Using the estimated projected households to be 3,130 in the year 2010, and the projected low to moderate income households to be 303 in the year 2010, Richmond has estimated future needs by type. Table H-8 shows above the projected Elderly, Family, and Other needs for the year 2010. These projections for affordable units in 2010 take into account the existing 65 units (20 as "family" and 45 as "other") already in Richmond.

STRATEGIES TO ATTAIN THE AFFORDABLE HOUSING GOAL

There are several ways that Richmond can meet and exceed the state affordability mandate:

INFORMATION:

- The Planning Department will annually update information on the availability of housing, opportunities in the pipeline, and progress on goals and strategies.
- The Town Council shall direct professional staff to develop a simple management information system for efficient reporting to the AHC on a quarterly basis.
- The Planning Department has hired a GIS consultant who has completed a buildout analysis, and who is currently identifying which areas in Richmond are most suitable for more densely developed affordable housing.
- The Town will also work with non-profits to sponsor home ownership classes for low to moderate income households and to educate the public in regards to the needs and benefits of affordable housing.

Although planning staff undoubtedly play a key role in this undertaking, there are other resources in town that may be brought to bear on devising information systems. Town administrators may wish to consider hiring technical assistance or borrowing expertise from the regional pool for this undertaking.

The Washington County Regional Planning Council is currently studying the feasibility of establishing a regional affordable housing entity for the Washington County region.

COOPERATION:

- Encourage and wherever possible require public and private sector partnerships by determining housing affordability requirements.
- Implement alternative development strategies through housing land trusts, cooperative housing, and self-help programs.
- Sponsor public meetings and workshops where landowners and homeowners can fully realize the urgent need to offer more affordable housing.
- The Planning Department shall work with the Water Districts to encourage additions and tie-ins to the proposed water line to facilitate construction of low to moderate income housing units.
- The Planning Department shall work with non-profits by identifying suitable parcels for affordable housing and assisting in the land development process to reduce costs and time required to gain approval of low to moderate income housing proposals.
- The Town will review the inventory of vacant Town owned land to determine whether any of those parcels can be used for the development of affordable housing units.

As the BC Stewart Affordable Housing study suggests, it is possible for Richmond to work with non-profit housing organizations to consider density bonuses for low-income housing or exemptions from the existing building permit cap if affordable housing is deemed necessary. The Richmond Planning Department is currently working with the Woman's Development Corporation towards the development of a HUD 202 grant funded 100 age restricted (age 62 and older) low to moderate income unit apartment complex along the Richmond water line on Route 138. In addition, with the development of a water district in the village of Shannock, the Town and the Woman's Development Corporation are researching infill opportunities as well as a larger multi-family low to moderate income housing development in the area.

The Richmond Community is remarkably supportive of affordable housing, particularly where the impact upon the community infrastructure (water, transportation, and schools, most notably) are fully taken into account. However, as with other communities in the southern region, community education will be vital to ensuring support for and involvement in increasing the availability of affordable housing. Although less so than for neighboring communities, local residents may still harbor concerns regarding the potential for affordable housing to negatively impact upon the small town setting, its rural flavor and historic village centers. Ensuring adequate affordable housing is, in fact, consistent with Richmond's fundamental values, which include a commitment to ensuring that residents will be able to stay in the community as they age and that children will be able to remain after they leave home and begin families of their own.

The regional strategy for southern Rhode Island constitutes an essential element in Richmond's affordable housing plan. There is strength and opportunity in numbers and Richmond should avail itself of that leverage, while proactively pursuing the opportunities afforded by its own unique profile. In brief, the regional plan recommends considering several viable approaches, including establishing a regional HOME consortium, a Regional Affordable Housing Trust fund, and/or a Regional Housing and Redevelopment Agency.

ADMINISTRATION:

- Keep in place the current exemption from the 1995 Growth Rate Ordinance for all affordable housing units and keep in place the current exemption for affordable housing from the Town's Development Impact Fees. The building cap established by the 1995 Growth Rate Ordinance is 36 new housing units/yr.
- Keep in place the current exemptions from the growth rate ordinance for age restricted housing in the PUDVC (Planned Unit Development Village Center) zoning district along Route 138, the exemption for accessory dwelling units, the exemption for certain lots of record created prior to the enactment of the ordinance, and the exemption for affordable housing.
- Research the feasibility of creating a waiver from the Growth Rate Ordinance (36 building permits per year) for entire subdivisions which includes a majority of their total units as affordable. All developments will be subject to phasing requirements as set forth in the Land Development and Subdivision Regulations.
- Establish an Affordable Housing Impact Fee for any developments which choose not to include 10% or more affordable units. Such developers will be required to pay a fee in lieu of or donate buildable lots to the town. If the development includes 10 units, the equivalent of one market-rate lot must be given to the town in place of the 1 unit which would be required to be affordable. Richmond will also review the current impact fees for Schools and Open Space/Recreation and consider assessing those fees at 100 percent for all new market rate dwelling units.
- Upon consensus of the Town Council and Planning Board as to the appropriate use of the Affordable Housing Siting Analysis, the Town will research inclusionary and/or incentive zoning, as well as the donation of off-site land for affordable housing, or a fee-in-lieu-of for affordable housing.
- The Planning Board using a GIS analysis of land in Town, working in conjunction with the Affordable Housing Task Force, will review all land along the existing Town water line and in the existing villages to determine areas that can support higher density development. The Planning Board will then make recommendations to the Town Council to increase the zoning in these areas for the development of new affordable housing units at a higher density than currently allowed.
- Strongly encourage rehab/reuse/infill and mixed-use strategies for low to moderate income housing in the existing villages in Richmond through supportive structured subsidies such as CDBG, fee waivers, or tax credits.
- Educate developers and non-profits of Town subsidies such as the current fee waivers in place such as waivers from Development Impact Fees.
- Educate developers and non-profits of current Town subsidies such as the exemption from Growth Rate Ordinance for low to moderate income housing.
- Implement fee waivers or reductions for land developments and subdivisions that are one-hundred percent affordable.
- Educate developers and non-profits of the streamlined development procedures in place that correspond with the 2004 Low to Moderate Income Housing Act.

- Instruct the Tax Collector, Tax Assessor and the Planning Department to work together to come up with possible tax credits for rehabilitation/renovations of existing units that will be dedicated for low to moderate income families.
- Review zoning standards for group homes and foster care facilities on an annual basis so that more opportunities for affordable housing may be realized.
- Make changes to the Zoning Ordinance to allow for market rate and affordable dwelling units on the upper stories of commercial buildings in the Neighborhood Business and General Business Districts.
- Support home repair grant programs through the CDBG program and other available state and federal grants.

In 1995, the Town imposed a Growth Management Plan which included a Growth Rate Ordinance and a Development Impact Fee Ordinance. The Growth Rate Ordinance in Richmond limits building permits to 36 units per year. A unit is considered one living unit, therefore a two-family house is considered two units, and a three-family house is considered three units. Based on the current building cap of 36 new housing units per year, Richmond will need an average of four net new affordable units per year to maintain its current affordable housing deficit.

Communities across the nation use inclusionary zoning and fee waivers as a method for increasing the availability of affordable housing. Essentially, an inclusionary zoning ordinance sets up a trade or an exchange of sorts between the town and developers who want to build residential units. In exchange for the developer's inclusion of a certain percentage of affordable units among new, rehabilitated, or converted market-rate units, the town agrees to grant certain benefits to the developer, usually in the form of a density bonus, and design flexibility.

According to nationwide studies reviewed by BC Stewart & Associates, the consultant for the towns' Affordable Housing Plans, mandatory inclusionary zoning is far more effective than incentive zoning (also known as voluntary inclusionary zoning) at increasing the availability of affordable housing. However, the two can go hand-in-hand. For instance, if Richmond institutes mandatory inclusionary zoning for major subdivisions, it could also consider offering density bonuses and some design flexibility to smaller developments to make some of their units affordable on a case-by-case basis.

It is possible for developers to submit applications that substantially overstate their realistic intentions in hopes of creating a more favorable negotiating position for concessions from the town. Nevertheless, town officials and staff may find that there is benefit to the town in considering such applications to be an opportunity to capitalize on developer interest in building. The town should work with developers to encourage affordable housing in all subdivisions. Further, large density bonuses could be granted to developers of housing developments that would be more than 50 percent affordable at the discretion of the Planning Board. A sound affordable housing plan empowers the town to maintain control of local land use decisions while engaging with developers to make equitable building decisions.

Richmond shall work to develop creatively structured subsidies. Current statutory definition requires that, in order to count toward the 10 percent affordable housing standard, the unit must be subsidized by federal, state, or municipal funds. A municipal subsidy may be anything but not limited to a fee waiver, a density bonuses, or monetary subsidies and the Town will explore more options to increase subsidies on affordable housing developments in addition to the current municipal subsidies such as the waiver from the Growth Rate Ordinance and Impact Fees for affordable housing.

In the short term, Richmond has an important challenge and opportunity. Two categories of housing in Richmond clearly meet the common sense definition of affordable housing: mobile homes and HUD Section 8 tenant-based vouchers. Information from local, state, and federal sources differs somewhat, but a conservative estimate puts the mobile home count at about 122 and the Section 8 voucher count at 10, for a total of 132 truly affordable units of housing that are not currently counted under the statutory definition.

Officials and staff in Richmond should work with state and federal agencies to pursue ways to structure qualifying funds in such a way that the mobile homes receive some modicum of federal/state/municipal funding and work with Rhode Island Housing to create mechanisms for structuring Section 8 tenant-base vouchers to qualify in the count. For instance, if the Section 8 tenant-based vouchers were project-based vouchers with a minimum ten year-affordability term, an argument could be made for these to count against the 10 percent standard. Rhode Island Housing staff members have signaled their willingness to work with towns to identify federal and state funds that might be available for these purposes.

In addition to financially-based subsidies, Richmond will require rehab/reuse/infill and mixed use strategies to increase the supply of affordable housing. Much of the existing development on the western portion of Route 138 west of Route 95, and between Route 138 and Route 3 was developed prior to the current zoning requirements. This would be an ideal area for infill and rehabilitation as well as for creating newer mixed use developments because of the already existing higher density development and availability of Town water. The Town will also encourage the redevelopment of existing abandoned commercial structures along the Route 138 corridor through density bonuses for affordable housing.

On September 21, 2004 the Town Council made an amendment to the Zoning ordinance which will allow accessory apartments on lots that conform to the current zoning requirements in all residential zones. The Town may require that non-affordable accessory apartments pay impact fees in the future because of the impact that these additional units will have on the Town's infrastructure. If impact fees were assessed for accessory apartments, a fee waiver would be created for units that were reserved for affordable housing. The Planning Department under the direction of the Planning Board will work with Town Legal Council to draft an ordinance which would allow mixed use in General Business and Neighborhood Business Zones throughout the Town to create

more affordable rental housing. This would allow existing as well as new commercial construction to contain some residential component to create additional affordable rental housing.

The Planning Department, working with the Historic District Commission, will also explore the notion of Historic Districts as the Comprehensive Plan indicates. There is an impressive listing in Appendix E of the Comprehensive Plan of existing Historic resources, and many of these could be renovated or rehabilitated with a low to moderate income housing component to renovations. Efforts across the nation and funding sources at the state and local levels, both public and non-profit suggest that there are opportunities in historically significant communities such as Richmond.

Finally, Richmond will examine the unused and abandoned residential and commercial properties for rehab/reuse possibilities. Such structures can lend themselves to congregate care, senior centers, etc. These approaches tie in with the concept discussed earlier by the task force of interjecting into/capitalizing upon mixed-use potential in most business/commercial zones, including those along the 138 corridor.

Table H-9 on the following page, details the affordability gap for homeowners in Richmond over time. But income is only one criteria of need. Large families may be living in homes which are overcrowded or substandard, some elderly residents and households headed by women may require housing assistance. Table H-10 on Page 23 shows the scale of Richmond's special needs in 1990. It is interesting to note that large families and the elderly were the largest groups of households in need of assistance at that time.

**TABLE H-9
THE AFFORDABILITY OF HOUSING
TOWN OF RICHMOND**

| For Homeowner | 1980 | 1989 | 1990 | 2000 |
|----------------------------------|-------------|-------------|-------------|-------------|
| Average House Price | \$49,800 | \$134,000 | \$118,000 | \$141,700 |
| Median Income | \$20,157 | \$38,038 | \$38,867 | |
| Monthly Housing Costs | \$680 | \$1450 | \$1295 | \$1,158 |
| Affordable Housing Costs* | \$505 | \$950 | \$970 | |
| Affordability Gap | - \$175 | - \$500 | - \$325 | |
| For Renter | 1980 | | 1990 | 2000 |
| Median Income | \$13,958 | | \$32,630 | |
| Monthly Housing Costs | \$250 | | \$647 | \$620 |
| Affordable Housing Costs | \$349 | | \$816 | |
| Affordability Gap | \$0 | | \$0 | |

NOTES:

* Assumes that mortgage, tax and insurance costs do not exceed 30% of annual income.

Assumes that rent and utility costs do not exceed 30% of annual income. In 1990, a typical family in Richmond needed an income of \$54,000 to purchase and maintain a typical single family house.

SOURCES:

General Housing Characteristics, 1980; Detailed Housing Characteristics, 1980; and General Social &, Economic Characteristics, 1980; Select Population & Housing Characteristics, 1990, United States Bureau of the Census
United States Bureau of the Census 2000
South County Community Action, 1989
Rhode Island Housing And Mortgage Finance Corporation, 1991, 2004

**TABLE H-10
TOWN OF RICHMOND
SPECIAL NEEDS HOUSEHOLDS**

| GROUP | NUMBER |
|--|--------------------------|
| ELDERLY - 65+ | 397 (7.4% OF POPULATION) |
| MOBILITY, SELF-CARE LIMITATIONS OR BOTH | 159 (OVER THE AGE OF 16) |
| POVERTY STATUS | 128 RESIDENTS (2.4%) |
| SMALL HOUSEHOLDS | 253 RESIDENTS (14%) |
| LARGE HOUSEHOLDS | 261 RESIDENTS (14%) |
| FEMALE HEAD HOUSEHOLD | 68 RESIDENTS (3%) |

Source: U.S. Census Bureau and CHAS Data Book

LOW/MODERATE INCOME HOUSING NEEDS

In order to address the low/moderate income housing needs for Richmond, first is a comparison of Richmond, and surrounding communities for the years of 1992, 1993, 1995, and 2000, as defined by the R.I. Housing & Mortgage Finance Corporation.

**TABLE H-11
PERCENTAGE OF LOW/MODERATE INCOME HOUSING
RICHMOND AND SURROUNDING COMMUNITIES:
YEARS 1992, 1993, 1995, & 2000**

| TOWN | 1992 | 1993 | 1995 | 2000 |
|--------------------|--------------|--------------|--------------|--------------|
| RICHMOND | 0.21% | 0.21% | 1.81% | 2.02% |
| HOPKINTON | 4.32% | 5.18% | 5.75% | 4.88% |
| CHARLESTOWN | .005% | .09% | 1.01% | 0.94% |
| EXETER | 0.16% | 0.16% | 1.25% | 1.68% |
| STATE AVG | 7.09% | 7.17% | 7.69% | 8.03% |

**Source: U.S. Bureau of the Census*

*RI Builders Association 2003 Affordable Housing Report
Blish and Cavanaugh, March 2003*

Many communities consider mobile home parks as serving the needs of the low/moderate income group. There is one year round mobile home park in Richmond, which has an age restriction of 55, and an occupancy of 110 sites. Only 10 sites were vacant in 1995.

All things considered, Richmond's efforts to increase the supply of affordable housing will be challenging. The current affordable housing deficit of 196 units requires Richmond to play "catch-up" over the next several years. As mentioned earlier, Richmond can utilize administrative, cooperative, and informative tactics to make itself a more affordable town in which to live. Table H-12 displays data from 2000, 2005, and 2010 along with the necessary assumptions to project Richmond's affordable housing need. Furthermore, it identifies the estimates of various strategies selected by the Town of Richmond to achieve the projected 2010 LMI delta of 248.

**TABLE H-12
PROJECTED AFFORDABLE HOUSING NEEDS &
METHODS IN RICHMOND:
2005-2010**

| RICHMOND AFFORDABLE HOUSING NEEDS 2005-2010 | | | |
|--|-------------|-------------|---------------|
| | 2000 | 2005 | 2010 |
| Population | 7222 | 7669 | 8042 |
| Households | 2592 | 2830 | 3130 |
| Allowable Building Permits* | | 238 | 300 |
| New Households | | 238 | 300 |
| Cumulative LMI Unit Goal (10%) | | 283 | 313 |
| Existing # of LMI Units (2004) | | 65 | 65 |
| Needed # of New LMI to achieve 10% | | 218 | 248 |
| <i>In 2005, Richmond is engaged in 5 possible development projects that will involve the creation of approximately 348 LMI housing units (including 108 in the</i> | | | |
| ESTIMATED AFFORDABLE UNITS CREATED BY VARIOUS METHODS | | | |
| | 2000 | 2005 | 2010 |
| Existing # of LMI Units (2004) | | | 65 |
| PUDVC w/ Inclusionary Zoning | | | 40 |
| Creative Partnerships (new constr.) | | | 100 |
| Re-hab/Reuse/Infill/Mixed-use | | | 100 |
| Accessory Apartment Development | | | 0 |
| Broaden Inclusionary and Incentive Zoning | | | 0 |
| Regional Strategies | | | 0 |
| Creatively structured subsidies | | | 108 |
| Total LMI Units | | | 413 |
| Needed # of NEW LMI Built | | | 348 |
| PERCENT AFFORDABILITY | | | 13.19% |

Assumptions:

Household size will stay the same thru the year 2010 as that in 2000.

Population Growth is based on Statewide Planning Program's 2004 Population Projections.

The number of households is based on the approximate 300 building permits issued over a 5-year period, assuming that approximately 60 units will be built per year..

**Building Permit Cap remains at 36 units per year however, because of exemptions an approximate value of 60 was used.*

Table H-13 shows how the proposed affordable housing strategies will meet proportional housing needs.

**TABLE H-13
APPLICATION OF STRATEGIES TO MEET
PROPORTIONAL NEEDS: RICHMOND**

| DEVELOPMENT STRATEGY | Totals Expected by strategy by 2010* | Resource for Strategy | Elderly | | Family | | Special Needs | |
|--|--------------------------------------|------------------------------------|---------|---------------------|-----------------|-----------------|----------------------|----------------------|
| | | | Rental | HO | Rental | HO | Rental | HO |
| PUDVC w/ Inclusionary Zoning | 40 | Planning Staff & Board | | 40 Richmond Commons | | | | |
| Creative Partnerships | 100 | Developers, Landowners, Plng Staff | 100 WDC | | | | | |
| Rehab/Reuse/ Infill/ Mixed Use | 100 | Landowners, Plng Staff & Board | | | 25 WDC duplexes | 25 WDC duplexes | 25 UBS private prop. | 25 UBS private prop. |
| Accessory Apt. Development | 0 | Planning Staff & Board | | | | | | |
| Broaden Inclusionary and Incentive Zoning | 0 | Planning Staff & Board | | | | | | |
| Regional Strategies | 0 | WCRPC, Plng Staff, other towns | | | | | | |
| Creatively Structured Subsidies | 108 | Planning Staff & Board | | | | 108 Hillsdale | | |
| TOTALS BY HH TYPE | | | 140 | | 158 | | 50 | |
| Needed # of New LMI to achieve 10% by 2010 | | | GOAL 87 | | GOAL 130 | | GOAL 21 | |

Notes: Values listed are taken from Table H-12 as projected for the year 2010.

Values listed as goals are taken from Table H-8 “Needs by type of household for 2010”.

As indicated above, Richmond is utilizing four strategies for five developments, which are anticipated to create 348 new LMI units. The “Creatively Structured Subsidies” strategy involves the conversion of 108 mobile homes at the Hillsdale Mobile Home Park. The Hillsdale project will yield the most new LMI units, compared to the other four developments. Table H-12 indicates that Richmond can achieve the 10% LMI housing goal by 2010. The growth scenario used in this plan relies on the current annual growth rate of 60 units/year (47.6-48 LMI units assuming 60 total units). Right now, 238/5 yrs equals 47.6 units/year (which is rounded to 48). The town has decided that it is willing to exceed its own growth cap to 60 more units per year to account for non-LMI housing development between now and 2010. Richmond will use the above table to guide both the numbers of LMI units needed as well as the most appropriate methods to implement the new units. In addition to the above tables, the Town of Richmond has hired a consultant to perform an Affordable Housing Siting Analysis based on the 2004

Buildout Analysis. This Siting Analysis will be the guide throughout future affordable housing planning to ensure that new LMI units are developed only in areas deemed moderately to highly suitable.

Site-specific examples of the items identified in Tables H-12 and H-13 are shown below:

❶ Richmond Commons (40 new **LMI** units)

- As mentioned prior, the Richmond Commons will house approximately 40 new units of affordable housing. All of these units will be age-restricted for people of 55 years in age or older. This PUDVC development, which may begin in the next few years, utilizes several strategies to achieve the town's affordable housing goal. This development alone will be exempt from the building permit cap, will possibly attract even more affordable housing due to its flex-tech mixed-use zoning, and will likely be a target for future density bonuses. All LMI units created by this development will be deed restricted for no less than 30 years.

❷ Women's Development Corporation Route 138 Development (1 of 2, 100 new LMI units)

- As mentioned before, the Women's Development Corporation is cooperating with the Town of Richmond to develop a HUD 202 grant-funded low-to-moderate income apartment complex. It is likely to house 100 age-restricted units for people 62 and older. This development will be sited along Route 138 along the Richmond water line. This development will be exempt from the building permit cap, it will utilize density bonuses, will be waived of impact fees, and will demonstrate a creative partnership with a non-profit organization. Finally, this project will receive over a 100% density bonus, however, the WDC has not yet selected a site from multiple parcels (Square footage estimate unavailable at this time.) All LMI units created by this development will be deed restricted for a no less than 30 years.

❸ Women's Development Corporation Shannock Development (2 of 2, 50 new LMI units)

- The Women's Development Corporation also owns a 63-acre parcel in Shannock and intends to develop it as affordable housing. The Corporation is working with the town to plan approximately 50 affordable units. The Corporation intends to construct mostly moderate income duplexes, some low-income duplexes, and several very low-income quadplexes. There will also be a few single family homes in the development. The entire 50 units or 100% of the development will be LMI. This development will be exempt from the building permit cap and demonstrates a creative partnership with a non-profit organization. Additionally, this development will exemplify infill/rehab uses of property that is located near the upgrade of the Shannock Water District. Both of the WDC developments will create new multi-family units as well as age-restricted units in the very near future. A town subsidy is the density bonus for this development: R-2 is the existing zoning for this site, and the

town subsidy is a density bonus that changes this to R-1, or 1-acre zoning. All LMI units created by this development will be deed restricted for no less than 30 years.

④ Hillsdale Mobile Home Park (108 rehabilitated LMI units)

- The existing Hillsdale Mobile Home Park currently contains 108 units, all of which are not designated as affordable. It is unclear whether or not HUD funding was used to build this mobile home park, and because it is not deed-restricted, it does not qualify as affordable. The Women's Development Corporation wishes to cooperate with the town and with the Mobile Home Park to renovate and to improve upon the existing units and infrastructure in the Mobile Home Park in exchange for deed restrictions that would guarantee all 108 units affordable. Because there are 108 units on this site currently, Richmond is aggressively pursuing to convert 100 percent of the units to affordable; by applying for HOME funds, CDBG funds, and USDA grant money, Richmond will try to establish a 3-year plan to improve Hillsdale (improvement of roads, water supply, septic systems, etc.). This existing development will utilize creative public-private partnerships to attain affordable status. It may utilize town subsidies and fee waivers on any new units that may be built, as Hillsdale occupies a considerable amount of developable land. Through the use of the aforementioned funds, Richmond will rely on strategies of creatively structured subsidies to make Hillsdale more affordable. All LMI units created by this development will be deed restricted for no less than 30 years.

⑤ United Builders Supply, Corey Trail Private Landowner (50 new LMI units)

- The town is currently communicating with a private landowner on Corey Trail in the Village of Wyoming to develop new affordable housing units. The landowner, United Builders Supply, occupies 25 acres near the I-95/Route 138 intersection where Richmond wishes to develop a large share of its affordable housing. The 25-acre parcel abuts I-95 and is located south and west of the Sun Valley property. Because this property is located in a highly appropriate site for affordable housing, the town will utilize strategies such as creative public-private partnerships, density bonuses, and town-subsidies to promote the development of affordable housing on this parcel. Most importantly, this development is located in a highly developed part of town, so it will exemplify rehab/reuse/infill methods to locate affordable housing. UBS will receive a significant density bonus as a town subsidy. The site is currently zoned R-3, but because it is considered highly suitable for LMI units, the density bonus received will be equivalent to a parcel under R-1 zoning. This site could be a target for special-needs or assisted-living affordable housing as necessary, however, the future uses of this site are not yet known. No formal proposal has yet been submitted for this site, however it is expected that this development would file a Comprehensive Permit Application. All LMI units created by this development will be deed restricted for no less than 30 years but no longer than 99 years.

- ⑥ Accessory Apartment Developments (0 new units)
 - In the town's recent buildout analysis, it has been identified that Richmond can house approximately 3,724 additional accessory dwelling units throughout all zones within town. Accessory dwelling units are allowed in all residential zones by a Special Use Permit, on all lots that conform to current zoning requirements. The town will utilize aforementioned strategies such as a waiver from impact fees for accessory dwelling units, the use of CDBG funds, and the use of fee waivers from building permits for units that would be guaranteed as affordable. It is likely that in the near future the town will be creating impact fees for accessory dwelling units that are not guaranteed as affordable; the Town can waive impact fees in the future for accessory dwellings units that are affordable.
- ⑦ **Utilize 2005 Affordable Housing Siting Analysis to Those Determine Areas of Town Acceptable for Future Inclusionary Zoning and Incentive Zoning (potential future yield of 85 LMI units)**
 - The town recently retained a consultant to perform an Affordable Housing Siting Analysis to determine the most appropriate locations for new affordable housing units based on proximity to water supply, flood zones, aquifer districts, schools, roads, and type of zoning. This analysis, though still in draft form, identifies areas which are rated between 1 and 8 – a score of 1 deems low suitability and a score of 8 deems very high suitability. According to the Affordable Housing Siting Analysis, the Town of Richmond could build approximately 100 new units in regions which are high or very high suitability; and could potentially build 650 new units in areas of moderate to high suitability. Richmond will analyze the findings of the siting analysis to determine the potential for new LMI units in high suitability areas. The Town will also encourage developers to locate affordable housing in these regions by offering density bonuses. Finally, upon consensus of the Town Council and the Planning Board the Siting Analysis will be used to identify areas that will incorporate both comprehensive permits and inclusionary zoning. Areas 1 through 5 will be considered for inclusionary zoning; areas 6 through 8, which are the most suitable areas for affordable housing, will be considered the focal points for comprehensive permits. Should Richmond create an inclusionary zoning ordinance, major subdivisions within the R-1 and R-2 zones will be subject to the ordinance. According to the 2004 Buildout Analysis, 31 single-family homes can be built in the R-1 zone and 2,011 single-family homes can be built in the R-2 zone. If Richmond instituted a 20 percent inclusionary zoning ordinance, it would add approximately 6 affordable units to R-1 and 402 affordable units to R-2 upon full buildout.
 - It is not yet known how many affordable units will be created in these various sites throughout town; however Richmond assumes that 25 units will be created using Incentive Zoning and that 60 units will be created using Inclusionary Zoning.

The Town is currently working with private landowners, regional leaders of Washington County, and non-profit organizations to meet its affordable housing goal of 218 LMI units for the year 2005. The **five** site-specific items mentioned above are examples of how the town will achieve this goal.

Though affordable housing has long been an issue in Rhode Island, there are several other factors that are often overlooked in the affordability issue. These factors are directly and dramatically increasing the cost of housing:

- 1) Economic growth in Richmond increases both the demand and willingness to pay higher housing prices.
- 2) Lumber prices have risen sharply across the country.
- 3) Average housing size has risen sharply in the last 40 years.
- 4) Building codes are stricter to ensure energy and safety efficiency.
- 5) Developers have a greater incentive to build high-end housing because the profit margin is greater than for less expensive housing.

Together, these changes have made it difficult for Richmond to establish a plentiful affordable housing market. These changes have also narrowed the terms and possibilities for what the statewide definition of “affordable” can really mean.

Another area to examine is the count of vacant year-round housing units, comparing Richmond to surrounding communities, for 1980 through 2000, as illustrated in Table H-14.

**Table H-14
COUNT OF VACANT HOUSING UNITS
RICHMOND AND SURROUNDING COMMUNITIES, 1980-2000**

| TOWN | TOTAL 1980 | VACANT 1980 | TOTAL 1990 | VACANT 1990 | TOTAL 2000 | VACANT 2000 |
|--------------------|---------------|----------------|---------------|----------------|---------------|----------------|
| RICHMOND | 1,384 | 120 | 1,874 | 65 | 2,620 | 55 |
| HOPKINTON | 2,264 | 161 | 2,662 | 136 | 3,112 | 75 |
| CHARLESTOWN | 3,064 | 201 | 4,256 | 226 | 4,797 | 140 |
| EXETER | 1,390 | 80 | 1,919 | 97 | 2,196 | 73 |

Source: U.S. Census Bureau

As shown in Table H-14, Richmond’s vacancy rate for the period 1980-2000 dropped from 120 units to 55 units. These 55 vacant units represent only 2 percent of the total housing units in Richmond.

An examination of the number of units that are owner-occupied versus renter-occupied in Richmond, comparing 1980, 1990, and 2000 shows almost a 4% drop in renter-occupied units during the 20-year period, from 250 units in 1980 to 190 units in 1990 to 241 units in 2000. Though there is not a significant net change in renter-occupied units available in Richmond, the period from 1980 to 1990 showed a more severe 25% drop. Conversely, the owner-occupied units in Richmond swelled over the 20-year period by almost 130%

from 1002 units in 1980 to 1602 units in 1990 to 2,296 units in 2000. This rapid increase in available owner-occupied units of 130% masks the miniscule increase in rental opportunities in Richmond.

SPECIAL HOUSING NEEDS - DISABILITY

With regards to disability, the following Table H-15 illustrates the population of Richmond with mobility and/or self-care limitations as of 1990.

**TABLE H-15
DISABILITY POPULATION - 1990**

| STATUS | AGE 16-64 | AGE 65+ | TOTAL | %POP>16 |
|---------------------------------|------------------|----------------|--------------|-------------------|
| MOBILITY ONLY | 42 | 15 | 57 | 1% (ROUNDED) |
| SELF-CARE ONLY | 62 | 11 | 73 | 1% (ROUNDED) |
| MOBILITY & SELF-CARE | 6 | 23 | 29 | <1%(ROUNDED) |
| NO LIMITATIONS | 3434 | 348 | 3782 | 95%(ROUNDED) |
| TOTALS | 3544 | 397 | 3941 | |

Source: CHAS Data Book and U.S. Census Bureau

As seen from the 1990 data, less than 3 percent of Richmond's population over the age of 16 has a mobility or self-care limitation. Updated data for the year 2000 shows that out of the total population, 887 people had some type of disability, totaling 13.4% of the town's population. Compared to all of Rhode Island, of which 20.2% of the population has a disability, Richmond has less than the average number of people with disabilities.

SPECIAL HOUSING NEEDS - POVERTY

An examination of the poverty status of Richmond residents in 2000 shows that 213 residents are below the poverty level, consisting of 3 percent of the population. Richmond experienced an increase from 2.4% below the poverty line in 1990 to 3% below the poverty line in 2000. When compared to all of Rhode Island, which has an 11.9% population below the poverty level, Richmond has a relatively small population which classifies below the poverty level. Compared at a regional scale, Richmond has the lowest percentage below the poverty level, while 2000 data shows Narragansett to be one of the highest with 16% below poverty level. Neighboring Hopkinton has 4.8% below poverty level, and Exeter has 5.5% below poverty level.

Richmond's Plan of Development has identified shelter as a basic human need. Protection from the elements and a place of security are essential needs. The provision of housing is a fundamental social and economic need of society. In fact the primary developed land use in Richmond is residential and the major objectives of land use and building regulations are related to housing.

Housing is an economic commodity which responds to the influences of supply and demand. But it is also a social commodity influenced by a variety of governmental programs and regulations to meet otherwise disregarded by normal market factors and trend.

It should be recognized that there maybe so far an unidentified homeless population(s) in the area. The municipality should investigate the need for an "emergency shelter" to service this group, which may include those who are unable to live in their dwellings due to fire or natural disaster.

SPECIAL HOUSING NEEDS - PLUMBING FACILITIES

With reference to housing units that lacked complete plumbing facilities, the 1990 census indicated that there were no owner-occupied housing units in Richmond that lacked complete plumbing facilities. Only 8 units of all housing in Richmond lacked complete plumbing facilities in 1990. In 2000, Richmond no longer had any households that lacked complete plumbing facilities.

SPECIAL HOUSING NEEDS - HOUSEHOLD MAKE-UP

Table H-16, on the following page, shows the household makeup for the Town of Richmond in 1990. The 2000 census did not collect comparable data on household size; however, average household size in 2000 was 2.84, compared to 2.99 in 1990.

**TABLE H-16
HOUSEHOLD SIZE: RICHMOND 1990 & 2000**

| 1990 | |
|------------------------------|------------------------|
| # OF PERSONS | # OF HOUSEHOLDS |
| 1 PERSON | 253 |
| 2 PERSONS | 515 |
| 3 PERSONS | 350 |
| 4 PERSONS | 405 |
| 5 PERSONS | 185 |
| 6 PERSONS | 67 |
| 7+ PERSONS | 9 |
| TOTAL HOUSEHOLDS | 1784 |
| PERSONS PER HOUSEHOLD | 2.99 |
| 2000 | |
| PERSONS PER HOUSEHOLD | 2.84 |

*2000 Census did not collect data on the distribution of households by number of persons in each household.

SPECIAL HOUSING NEEDS - MENTALLY ILL AND DEVELOPMENTALLY DISABLED

There are 6 group homes located in Richmond with a total of 34 beds, as reported in 1995. These units are scattered throughout Richmond in residential neighborhoods and are available to house both statewide and Richmond residents with special needs. All but one of the six group homes are operated by the state, the other is privately run.

SPECIAL HOUSING NEEDS – ENVIRONMENT AND HOUSING

Though housing is a social and economic commodity to Richmond, it also acts in competition with the natural environment. As Richmond undertakes the affordable housing initiatives mentioned previously, it is essential that Richmond continue to protect pristine natural habitats and valuable ecosystems. Though affordable housing strategies include offering density bonuses, Richmond will locate dense housing developments in areas that protect the natural environment, including environmentally critical areas.

Richmond can further protect its natural environment by requiring the adaptive reuse of existing buildings for future residential use. Richmond can recognize the challenges faced in reusing older buildings and consider ways to make adaptive reuse more economically feasible.

Richmond can also protect its natural resources by requiring future residential development to occur along areas of existing infrastructure, i.e. water lines. By locating new affordable housing units along existing infrastructure, Richmond can eliminate the need to augment supply or expand water lines. By locating affordable housing along existing main roads and arteries, Richmond will limit future extension of roadways so as to minimize the amount of impervious surface created by roads and pavement.

Richmond is currently considering ways to implement a town-wide transfer-of-development rights (TDR) program. This program would allow individuals to purchase and sell development rights from lands that provide a public benefit such as farm, forest, open space, regional trails, and habitat for endangered species. Landowners receive financial compensation for not developing their “sending area”, and the public receives permanent preservation benefits. Meanwhile, the “receiving area” gains development rights to build additional houses or buildings on parcels in more appropriate areas for dense development. Richmond may encourage establishment of receiving areas south of Route 138, at the intersection of Route 138, Route 3, and I-95, and in other general business areas. Receiving areas will set a priority for higher density development in certain areas in Richmond, which in turn will be required to incorporate affordable housing into the developments.

By the Town recognizing market demand and by utilizing existing infrastructure, Richmond can guide future growth to occur within the environmental constraints like water availability and quality.

Finally, Richmond will encourage the use of sustainable housing amenities and appliances to lower environmental impacts to Richmond and to reduce the operating costs of newly created housing units. It is important for Richmond’s new affordable housing units to have limited negative impacts on natural resources, but it is also important that new affordable units do not place unnecessary pressures on other infrastructure such as energy. The Environmental Protection Agency has initiated Energy Star, a government-backed program helping businesses and individuals protect the environment through superior energy efficiency. By improving energy efficiency within homes, Richmond can reduce greenhouse gas emissions and air pollution. By using appropriate insulation, sealing heating and cooling ducts, sealing cracks and gaps to the outside, and installing appliances that have earned the Energy Star, Richmond’s new housing stock can have minimal energy demands and limit emissions. These appliances meet strict energy efficiency guidelines set by the EPA and the US Department of Energy.

HOUSING STRATEGIES

Richmond as a housing market is distinctly different than the general Rhode Island housing market. Likewise, local housing issues differ in scale and breadth in comparison to state wide priorities. The differences call for local actions that will fit unmet and anticipated needs to Richmond's planned pattern of development. In order to address the major issues and concerns for Housing in Richmond, the following strategies are proposed:

HOUSING STOCK CONDITIONS - Although the town does not, according to the 2000 census, have very many substandard housing units, there remains many housing units that qualify for the home repair program previously operated by South County Community Action and currently by the East Greenwich Housing Consortium on the town's behalf. The town shall continue to support those efforts to upgrade the town's housing stock.

MULTI-FAMILY HOUSING - The town allows for multi-family housing units in its zoning ordinance in the R-2 zoning district, which encompasses approximately 50% of the Town's land mass. In addition, in its residential cluster development regulations, as part of its Land Development and Subdivision Regulations, the town permits two-family housing structures.

ELDERLY HOUSING NEEDS - While the senior housing complex Canonchet Cliffs is located in neighboring Hopkinton, it serves Richmond residents that qualify for subsidized elderly housing. Also, the mobile home park, Hillsdale, also provides a supply of affordable housing for Richmond residents over the age of 55.

AFFORDABILITY - The town shall support the efforts of non-profit land trusts that provide long-term affordable housing to Richmond residents. This includes applying for CDBG funds on behalf of Oak Ridge Housing, developed by Action Community Land Trust. The town enacts on an annual basis a series of tax credits that assist the low income, elderly, and war veterans. Finally, there are several ongoing housing programs sponsored by the R.I. Housing & Mortgage Finance Corporation that will continue to serve qualified and needy Richmond residents.

REGULATORY - The Town did amend its Land Development and Subdivision Regulations and its Zoning Ordinance to adopt provisions for conservation subdivision design. As part of these amendments, the Town will encourage a mix of dwelling unit types and price ranges in new residential developments. The Town will make provisions for granting density bonuses to encourage developers to provide needed

housing types. The Town acknowledges the Statewide Goal of 10% of affordable housing and will review on an annual basis its current Zoning Ordinance and Land Development and Subdivision Regulations to ensure that these regulations support achieving this goal. One example is in the enactment of Proportionate Share Development Fees (Impact Fees), the Town included a waiver clause for affordable housing during times of critical need, which is reviewed on an annual basis by the Planning Board. In addition, in the Growth Rate Control Ordinance, provisions are also made for an exemption from the building permit cap for affordable housing units during a critical needs period, again reviewed on an annual basis by the Planning Board. Both of these waivers count as a municipal subsidy under the current Low to Moderate Income Housing Act.

VILLAGE REVITALIZATION – The Town of Richmond has been a participant, along with the Town of Charlestown, in two three-year CDBG funded revitalization projects for the Shannock Village. A major component of this program has been housing rehabilitation by income eligible residents in the village.

IMPLEMENTATION

HOUSING GOALS & POLICIES

GOAL:

HSG 1 Accommodate a population of 8,042 in the year 2010.

IMPLEMENTATION 1A. The Planning Board shall continue to monitor on an on-going basis the progress of the Growth Control Ordinance, which limits building permits to no more than 36 units per year, but exempts certain prior lots of record and affordable housing units. The ordinance has an affordable housing provision which allows for an exemption from the growth cap if the market is supplying affordable units in any given year. The Planning Board shall carefully monitor that provision on an annual basis. The purposes of the Growth Management Ordinance include:

- * Encourage a constant rate of residential development,
- * Provide long-term support to the local construction industry,
- * Stabilize property values
- * Maintain Richmond's character

IMPLEMENTATION 1B - The Town Planning Department will review the current impact fees for Schools and Open Space/Recreation and consider assessing those fees at 100 percent for all new market rate dwelling units **by December, 2006.**

GOAL:

HSG 2

Provide a sufficient range of market rate and affordable housing types given the needs of residents (especially the elderly, those of low/moderate incomes, and the homeless) and the capacities of the Town's natural resources, public facilities, water availability, services and finances.

All Affordable Housing Implementation Items can be seen in a matrix below as part of Richmond's 2005 Affordable Housing Plan.

| Item # | Action | Responsible Party | Resource | Timeline |
|--------|--|--------------------------------|---|----------------------|
| 2A | Maintain Affordable Housing Commission to monitor and report on AHP | Town Council | Planning Staff will support | Ongoing |
| 2B | Support home repair grant programs | Town Council | - | Ongoing |
| 2C | Review zoning standards for the location of group homes, foster care facilities, assisted living facilities, half-way houses or other types of special needs housing | Town Council | Planning Staff, Zoning Official | Ongoing |
| 2D | Research measures which shall offer a waiver from the Growth Rate Ordinance for an entire subdivision if a majority percentage of the units are guaranteed as affordable | Planning Dept. | Planning Staff | Ongoing |
| 2E | Adopt proactive new construction/creative partnership opportunities which shall entail incentive zoning (WDC 1 & 2) | Planning Dept & Planning Board | HUD 202 grant | December 2005 – 2010 |
| 2F | Research the impact of the extension of water lines as a result of Richmond Commons/consider infill and other opportunities along the Route 138 corridor to Town Hall | Planning Dept | Planning Staff, Shannock Water District | December 2006 |
| 2G | Require rehab/reuse/infill and mixed-use strategies (UBS) | Planning Dept | Planning Staff | Ongoing |

***Richmond Affordable Housing Plan
December 2005***

| | | | | |
|----|--|---|---|---------------|
| 2H | Research measures that may require inclusionary or incentive zoning, donation of off-site land for affordable housing, or a fee-in-lieu-of for affordable housing (RC, UBS, WDC 1 & 2) | Planning Dept & Planning Board | Town subsidies | Ongoing |
| 2I | Pursue regional strategies to achieve optimum affordable housing opportunities | Planning Dept | Planning Staff | Ongoing |
| 2J | Negotiate creatively structured subsidies with non-profit state agencies and for-profit developers (Hillsdale) | Planning Board, Planning Dept, & current homeowners | HOME, CDBG, and USDA funds | Ongoing |
| 2K | Review potential deed restrictions of all Town-owned parcels for development opportunities | Planning Dept | Planning Staff | Ongoing |
| 2L | Work with the Water Districts to encourage additions and tie-ins to the proposed water line | Planning Dept | Shannock Water District, Planning Staff | Ongoing |
| 2M | Work with non-profits by identifying suitable parcels for affordable housing using the Affordable Housing Siting Analysis | Planning Dept | Planning Staff | Ongoing |
| 2N | Suggest possible tax credits for rehabilitation/renovations of existing units that will be dedicated as LMI | Tax Collector, Tax Assessor & Planning Dept | Tax Assessor | Ongoing |
| 2O | Encourage rehab/reuse/infill and mixed-use strategies for low to moderate income housing in the existing villages | Planning Dept & Planning Board | Planning Staff and Board | Ongoing |
| 2P | Review zoning standards for group homes and foster care facilities | Planning Board | Zoning Official | Annually |
| 2Q | Implement Village Zoning by increasing housing densities within existing villages on Route 138 and in Shannock. | Planning Dept, Zoning Board, Planning Board | Planning Staff, Zoning Staff | December 2006 |
| 2R | Make changes to the Zoning Ordinance to encourage affordable dwelling units on the upper stories of commercial buildings | Planning Dept, Zoning Board, Planning Board | Planning Staff will provide support | December 2006 |

***Richmond Affordable Housing Plan
December 2005***

| | | | | |
|----|---|---|-------------------------------------|---------------|
| 2S | Retain the services of a planning consultant to research and analyze the feasibility of the affordable housing options laid forth in the Comprehensive Plan | Planning Dept | Planning Staff will hire consultant | December 2006 |
| 2T | Review zoning in areas identified by Buildout Analysis and Affordable Housing Siting Analysis that may encourage LMI development | Planning Dept, Zoning Board, Planning Board | Zoning Official | June 2006 |
| 2U | Educate developers and non-profit affordable housing developers of the existing municipal subsidies in place for affordable housing | Planning Dept | Town Planner | Ongoing |
| 2V | Enact an impact fee for accessory apartments that are not reserved for affordable housing | Planning Board & Planning Dept | Planning Staff will provide support | June 2006 |

IMPLEMENTATION 2A – The Town Council shall maintain its Affordable Housing Commission and charge this new entity with monitoring and reporting on the implementation of the affordable housing plan no later than June 30, 2006. The tasks of this Commission shall be to:

- Develop data collection and reporting systems that foster efficient quarterly reporting on progress toward the affordable housing plan,
- Update information on the availability of affordable housing, opportunities in the pipeline, and progress on goals and strategies,
- Directing professional staff to develop a simple management information system that will provide an efficient basis for reporting to the AHC on a quarterly basis,
- Creating an inter-organizational regional task force to ensure that all knowledge resources are tapped and brought into the affordable housing initiative,
- Foster Community Education and Support,
- Encourage public and private-sector housing partnerships by supporting grant applications,
- Research alternative development strategies, such as land trusts, cooperative housing and self-help programs,
- Seek funds and grants,
- Annually review incentives such as density bonuses, fee waivers, tax credits, and streamlined development procedures, and
- Sponsor public meetings and workshops and the dissemination of housing information regarding programs and opportunities for grants.

IMPLEMENTATION 2B - The Town Council should continue to support home repair grant programs both town-wide and for village revitalization, and bona fide land trust organizations.

IMPLEMENTATION 2C – The Town Council shall review on an annual basis zoning standards for the location of group homes, foster care facilities, congregate and assisted living facilities, half-way houses or other types of special needs housing. Such Standards shall include guidelines to lessen impacts on neighboring residential properties.

IMPLEMENTATION 2D – Through the use of a planning consultant, the Town Planning Department will analyze and adopt appropriate measures to offer a waiver from the Growth Rate Ordinance for an entire subdivision if a majority percentage of the units are guaranteed as affordable. Such developments could receive a waiver from the growth cap so that the entire development is not subject to the growth rate but will be subject to phasing requirements as set forth in the Land Development and Subdivision Regulations. Only the affordable units will be exempt from impact fees. This shall be done no later than December, 2006.

- The Planning Board can offer alternatives to proposed developments based upon the carrying capacity of the land, any critical resources present on or adjacent to the site that may be negatively impacted, environmental and traffic concerns, lack of infrastructure, or any factor that will negatively affect the health, safety and welfare of the public. At a minimum the property developer would receive a density bonus of 10%.

IMPLEMENTATION 2E - Adopt proactive new construction/creative partnership opportunities which shall entail incentive zoning by December 1, 2006.

- The aforementioned Women's Development Corporation project on Route 138 aims to develop approximately 100 new affordable units through a creative partnership with the Town. These units will house 100 age restricted units for people 62 and older. These units will be exempt from the building permit cap and will receive a town subsidy of a significant density bonus. This exemplifies a creative partnership and will provide rental units. Finally, a HUD 202 grant will help to fund the project and impact fees will be waived by the Town. This project will be deed restricted as affordable for a minimum of thirty years. (See also Page 25)
- The aforementioned Women's Development Corporation project in Shannock aims to develop approximately 53 new affordable units through a creative partnership with the Town. This development will create 53 affordable dwelling units for individuals and families looking for affordable housing in Richmond. These units will be exempt from the building permit cap and will be provided with a Town subsidy in the form of a density bonus. WDC has filed a Comprehensive Permit Application for Master Plan Approval for this development and the project is currently under review by the Comprehensive Permit Review Board. This project will be deed restricted as affordable for a minimum of thirty years. (See also page 25)

Neither project proposed by the WDC are located in the floodplains of the Wood or Pawcatuck Rivers.

IMPLEMENTATION 2F – The Town will research the impact of the extension of water lines as a result of Richmond Commons by December 1, 2006. The Town will consider infill and other opportunities along the Route 138 corridor to Town Hall once the water line is installed.

- This will be an ongoing effort by the Planning Staff and Planning Board to determine the most appropriate method to utilize the 2004 Affordable Housing Siting Analysis. This collaborative effort will encourage rehab/reuse/infill for land deemed suitable for either inclusionary zoning or comprehensive permits.

IMPLEMENTATION 2G – Require rehab/reuse/infill and mixed-use strategies, such as utilizing unused or underutilized residential and commercial properties. Encourage the utilization of abandoned properties to enable affordable housing opportunities.

- This will be an ongoing effort by the Planning Staff and Planning Board, who will utilize the 2004 Affordable Housing Siting Analysis, to consider rehab/reuse/infill and inclusionary zoning in areas 1 through 5; areas 6 through 8 will focus on comprehensive permits. (See also, page 27)
- The Planning Department will also cooperate with private landowner, United Builders Supply, to create 50 home-ownership affordable units for people with Special Needs. This will be done within the 5-year timeframe (see Table H-12) through rehab/reuse/infill strategies. The units created through this project will be deed restricted as affordable for a minimum of thirty years. (See also, page 26)

IMPLEMENTATION 2H - Analyze and adopt appropriate measures that may require inclusionary or incentive zoning, or donation of off-site land for affordable housing, or a fee-in-lieu-of for affordable housing, and will be adopted for all new development. The Planning Board shall offer density bonuses, waivers from the Growth Rate Ordinance, require inclusionary zoning in R-1 and R-2 zoning designations and require incentive zoning in R-1 and R-2 zoning designations to promote the development of affordable housing.

- 40 LMI units will be created within the Richmond Commons project by 2010 (see Table H-12). These units are created by town incentive of 10% density bonus, creating 40 new units within a 5-year timeframe. Richmond Commons LMI units will be exempt from the building permit cap and will be waived of impact fees. These units will be age-restricted and owner occupied (see Table H-13). These units will be deed restricted as affordable for a minimum of thirty years. (See also, page 25)
- According to the Affordable Housing Siting Analysis, incentive zoning has the potential to add 25 LMI units over the course of the plans 5-year timeframe. These LMI units will be exempt from the building permit cap and will be waived of impact fees. These units will serve families as rental units (see Table H-13). These units will be deed restricted as affordable for a minimum of thirty years.
- Upon the establishment of an inclusionary zoning ordinance, the Town will be able to use the Affordable Housing Siting Analysis to its fullest potential for

inclusionary units. Upon establishment of an Inclusionary Zoning ordinance, major subdivisions will be subject to inclusionary zoning provisions. These LMI units will be exempt from the building permit cap and will be waived of impact fees. These units will serve families as owned units (see Table H-13). These units will be deed restricted as affordable for a minimum of thirty years.

- The Affordable Housing Siting Analysis will identify areas 1 through 5 to be considered for Inclusionary Zoning; areas 6 through 8, which are the most suitable areas for affordable housing, will be considered the focal points for comprehensive permits. Major subdivisions will invoke mandatory inclusionary zoning within any R-1 and R-2 zones. According to the 2004 Buildout Analysis, 31 single-family homes can be built in the R-1 zone and 2,011 single-family homes can be built in the R-2 zone.
- The Planning Board shall retain the right to suggest alternatives to proposed developments based upon the carrying capacity of the land, any critical resources present on or adjacent to the site that may be negatively impacted, environmental and traffic concerns, lack of infrastructure, or any factor that may negatively affect the health, safety and welfare of the public.

IMPLEMENTATION 2I - Pursue regional strategies to achieve optimum affordable housing opportunities by participating where feasible in a regional home consortium, a regional affordable housing trust fund, and/or a regional housing and redevelopment agency by December 1, 2005 if one is established.

IMPLEMENTATION 2J – Negotiate creatively structured subsidies with non-profit state agencies and for-profit developers to encourage the development of additional affordable units.

- The aforementioned Hillsdale Mobile Home Park will utilize creative partnerships to deem the mobile home park affordable. These units will likely receive waivers from town fees, waivers from impact fees, density bonuses, and possibly CDBG funds. As seen in Table H-13, Hillsdale will provide 108 family, homeownership LMI units. As seen in Table H-12, these units will be deemed LMI by 2010 in a 5-year timeframe. This will be achieved by cooperation between the Planning Board, the Planning Department, and the existing Hillsdale homeowners by applying for HOME funds, CDBG funds, and USDA grant money. The Planning Dept/Board will offer impact fee waivers for any improvements to the existing site, as well as assistance from aforementioned funds to upgrade existing units as an incentive to make the units affordable. This project will be deed restricted as affordable for a minimum of thirty years. (See also pages 25 and 26)

IMPLEMENTATION 2K – The Planning Department shall review potential deed restrictions of all Town-owned parcels for development opportunities of affordable housing by December 1, 2006.

IMPLEMENTATION 2L - The Planning Department shall work with the Water Districts to encourage additions and tie-ins to the proposed water line to facilitate construction of low to moderate income housing units on an ongoing basis.

IMPLEMENTATION 2M - The Planning Department shall work with non-profits by identifying suitable parcels for affordable housing and assisting in the land development process to reduce costs and time required to gain approval of low to moderate income housing proposals.

*Upon consensus of the Town Council and Planning Board as to the appropriate use of the Affordable Housing Siting Analysis, the Planning Department will utilize the 2004 Affordable Housing Siting Analysis to focus non-profit efforts in areas deemed very suitable for affordable housing, especially in areas 6 thru 8.

IMPLEMENTATION 2N - The Tax Collector, Tax Assessor and the Planning Department shall work together to suggest possible tax credits for rehabilitation/renovations of existing units that will be dedicated for low to moderate income families by December 1, 2005.

IMPLEMENTATION 2O - Encourage rehab/reuse/infill and mixed-use strategies for low to moderate income housing in the existing villages in Richmond through supportive structured subsidies such as CDBG, fee waivers, or tax credits.

* Upon consensus of the Town Council and Planning Board as to the appropriate use of the Affordable Housing Siting Analysis, the Town of Richmond will focus rehab/reuse/infill efforts in the Village of Wyoming in locations deemed highly suitable by the 2004 Affordable Housing Siting Analysis.

IMPLEMENTATION 2P – The Planning Board shall review zoning standards for group homes and foster care facilities on an annual basis so that more opportunities for affordable housing may be realized.

IMPLEMENTATION 2Q – Implement Village Zoning by December, 2006 by increasing housing densities within existing villages on Route 138 and in Shannock. Increase zoning so that these villages, and other nearby existing villages may build affordable housing of greater density near existing water lines and infrastructure. This shall be done cooperatively by the Town Council, Planning Dept, the Zoning Board, and the Planning Board.

IMPLEMENTATION 2R - Make changes to the Zoning Ordinance to encourage affordable dwelling units on the upper stories of commercial buildings in the Neighborhood Business and General Business Districts by December, 2006. This shall be done cooperatively by the Planning Dept, the Zoning Board, and the Planning Board.

IMPLEMENTATION 2S – The Planning Department will retain the services of a planning consultant by June 30, 2006 to research and analyze the feasibility of the affordable housing options laid forth in the Comprehensive Plan, and to recommend changes to the Land Development and Subdivision Regulations and the Zoning

Ordinance to implement these changes. This consultant will research and analyze strategies that have the potential to yield LMI units over the next five years.

IMPLEMENTATION 2T - The Planning Board in conjunction with the Town Council has hired a consultant who has performed a GIS build-out analysis for the Town. Major future land use changes that will encourage the development of affordable housing in certain designated locations will be guided by this GIS build-out analysis and Affordable Housing Siting analysis. This analysis will also be used to guide future development of affordable housing units along suitable infrastructure corridors. Finally, this GIS analysis will be used to make changes to the Zoning map so as to influence locations suitable for higher density development. The Town will make such changes in the existing Zoning Ordinance under the guidance of the Planning Board and Town Council. This shall be completed no later than June 30, 2006.

IMPLEMENTATION 2U – Educate developers and non-profit affordable housing developers of the existing municipal subsidies in place for affordable housing such as the waivers from the Growth Rate Ordinance and the Development Impact Fees. Encourage all new developments to take advantage of the existing municipal subsidies for the creation of affordable housing. This shall be done by the Planning Department on an ongoing basis.

*Because the Town will soon have impact fees for accessory dwelling units, the Town shall waive all impact fees for those accessory dwelling units deemed affordable.

IMPLEMENTATION 2V – Enact an impact fee for accessory apartments that are not reserved for affordable housing. This shall be completed by the Planning Board and Planning Department no later than June 30, 2006.

*Because the Town will soon have impact fees for accessory dwelling units, the Town shall waive all impact fees for those accessory dwelling units deemed affordable.

GOAL:

HSG 3 Enhance Richmond's historical and cultural resources.

IMPLEMENTATION 3A. The Planning Board, in conjunction with the Historical Preservation Commission shall, prior to December 31, 2005, study the establishment of heritage districts, and report to the Town Council on the feasibility of enacting heritage districts in Richmond. The report shall include development controls to promote the continued use or adaptive reuse of historic properties.

GOAL:

HSG 4 Strengthen the identity and character of Richmond's mill villages.

IMPLEMENTATION 4A. The Town Council should select annually, one of Richmond's mill villages in which infrastructure improvements and housing rehabilitation programs would be the key ingredients of a mini-plan for that village. The Town Council shall direct the Town Planner and the Historic District Commission to seek grant funds

for the preparation of the mini-plans, and the ultimate redevelopment of the village area. The first village area to be addressed was the village of Shannock, as part of a two-town multi-year CDBG program that includes housing rehabilitation for income eligible residents, streetscape improvements and improvements to small-scale commercial buildings. This will be done on an on-going basis.

IMPLEMENTATION 4B – The Planning Board shall make recommendations to the Town Council for changes to the General Business and Neighborhood Business Zones to allow for mixed use development in these zones by July 1, 2006.

GOAL:

HSG 5 Promote “green” development practices when permitting new housing developments and affordable housing to Richmond.

IMPLEMENTATION 5A – The Planning Department and Planning Board shall encourage the use of recyclable or reusable resources when developing new housing units on an on-going basis. Adopt life-cycle or sustainable performance standards for heating, plumbing, and household amenities. (e.g. promote efficient heating and water use systems during the pre-application and master plan stages of proposals for new housing development.)

IMPLEMENTATION 5B – The Planning Department and Planning Board shall encourage new housing units to meet labeling standards as advised by the Environmental Protection Agency’s (EPA) Energy Star and Water Star Programs in order to achieve more sustainable indoor water use and home appliance efficiency on an on-going basis.

IMPLEMENTATION 5C – The Planning Board shall require developers, non-profit agencies, and housing agencies to locate new affordable housing units along main transportation corridors and existing water mains on an on-going basis. Use existing infrastructure as a guide to locate new affordable housing so as to reduce the need for infrastructure extensions, water supply augmentation, and to encourage demand management of water among new developments.

IMPLEMENTATION 5D – Consider a transfer of development rights (TDR) program to encourage the preservation of critical natural habitats while allowing for more densely developed areas in the general business areas of Richmond by June 30, 2006. Use TDR as a method for allowing more affordable housing in geographically-appropriate areas. Sending and Receiving areas will be determined by the Planning Department based on the 2004 Buildout Analysis and the 2005 Affordable Housing Siting Analysis. These will be determined or continuously reviewed by June 30, 2006.

APPENDICES

Town of Richmond

Affordable Housing Location Analysis 2005

March 31, 2005

In support of preparation of the Town of Richmond's "Affordable Housing Plan 2005" this town-wide GIS-based *Affordable Housing Location Analysis* was conducted.

The Location Analysis considers a number of factors in attempting to identify areas where a higher density is an appropriate strategy in terms of infrastructure capacity and environmental features. The factors used are as follows:

- (a) Is the property in the Aquifer Protection District?
- (b) Is the property within the Water District?
- (c) Is the property subject to Flooding?
- (d) Is the property within the defined wellhead protection area?
- (e) Is the property within 100 ft on a main road?
- (f) Is the property within 1 mile of a public school?
- (g) Is the property within ½ mile of a "defined village"?
- (h) Does the property allow residential development or is it zoned for agriculture, FT, light industry, or industry?
- (i) For buildout purposes, is the property considered as "no further residential development (i.e., open space, drainage, municipal lots, etc.)?"
- (j) Does the property contain a soil type with severe septic system restrictions on 75% or more of the lot?

Methodology:

1. A simple scoring system for each of the above factors was established. The following fields were added in the parcels shapefile and calculated as follows:

Field

| | |
|---------------|---|
| "Not Aquifer" | 0 = in aquifer, or partially in aquifer overlay district 1 = not in aquifer overlay district |
| "In Wat Dist" | 0 = not within water district (or 200 ft of an existing public waterline) 1 = within water district |
| "Not Flood" | 0 = within flood zone, or partially within 1 = not in flood zone |
| "Dist Well" | 0 = not in a community wellhead protection area -50 = in a community wellhead protection area |
| "Dist Mn Rd" | 0 = not within 100 ft of a main road, or land locked 1 = within 100 ft of a road (except Interstate 95 and the |

| | |
|---------------|--|
| “Dist School” | On-off ramps for I-95, or minor roads). |
| | 0 = not within 1 mile of a public school |
| | 1 = within 1 mile of a public school |
| “Dist Vill” | 0 = not within 0.5 mile of a “defined village (per RIGIS) |
| | 1 = within 0.5 mile of a “defined village” |
| “Suit Zone” | -50 = zoning district does not allow residential development (i.e., FT,AG, I and LI zones) |
| | 1 = zoning allows residential development |
| “Unbuild” | -50 = open space, drainage or municipal property (i.e., no further residential development for buildout purposes) |
| | 1 = <u>not</u> open space, drainage or municipal property |
| “Soil Septic” | -50 = soils categorized as “V” or severely constrained for septic systems on 75% or more of the lot |

2. The “Score” for each lots was calculated as follows:

$$[\text{Score}] = [\text{Not Aquifer}] + [\text{In Wat Dist}] + [\text{Not Flood}] + [\text{Dist Well}] + [\text{Dist MnRd}] + [\text{Dist School}] + [\text{Def Vill}] + [\text{Suit Zone}] + [\text{Unbuild}] + [\text{Soils Septic}]$$

Total maximum score = 8. No lot received a score higher than 7.

Findings:

At buildout conditions, the Table below shows the number of additional dwelling units categorized by the location analysis score. (This information was determined by joining “affordable2005.shp” and “buildout.shp” and summarizing. See table “suitability-table.shp”.

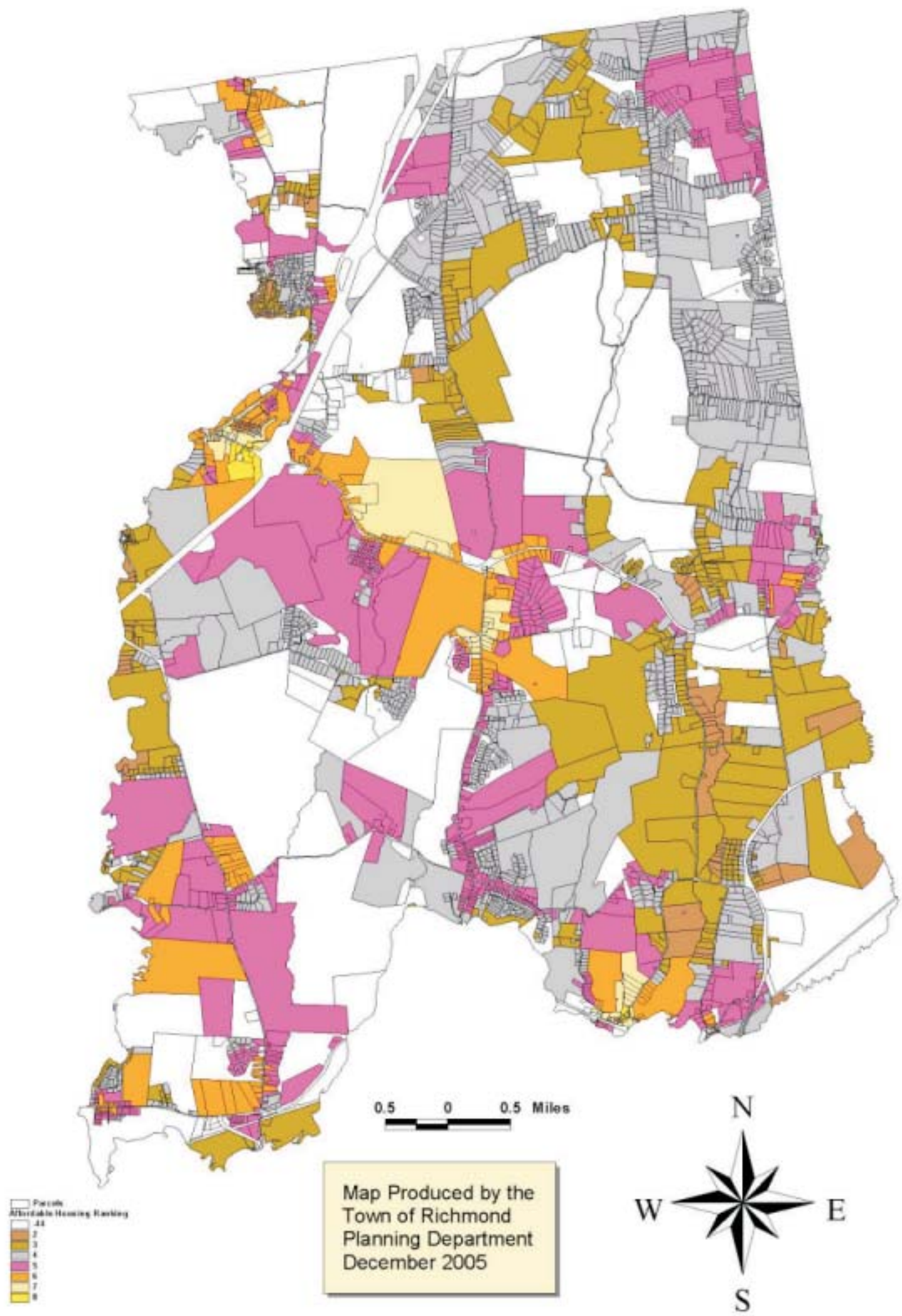
Table 1: Capacity for Additional Dwelling Units in relation to Location Suitability.

| Suitability | Score Results | Additional Dwelling Units |
|--------------------|----------------------|----------------------------------|
| Very High | 8-7 | 10 |
| High | 6 | 100 |
| Moderate - High | 5 | 355 |
| Moderate | 4 | 893 |
| Low | 1 - 3 | 340 |

Using the above location factors the most suitable areas (score 7) were in the Wyoming area west of I-95. Other areas (score 6) were along Hope Valley Road, vicinity of Town Hall, parts of Route 138, Wyoming and Arcadia.

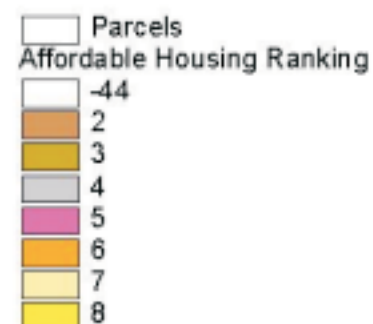
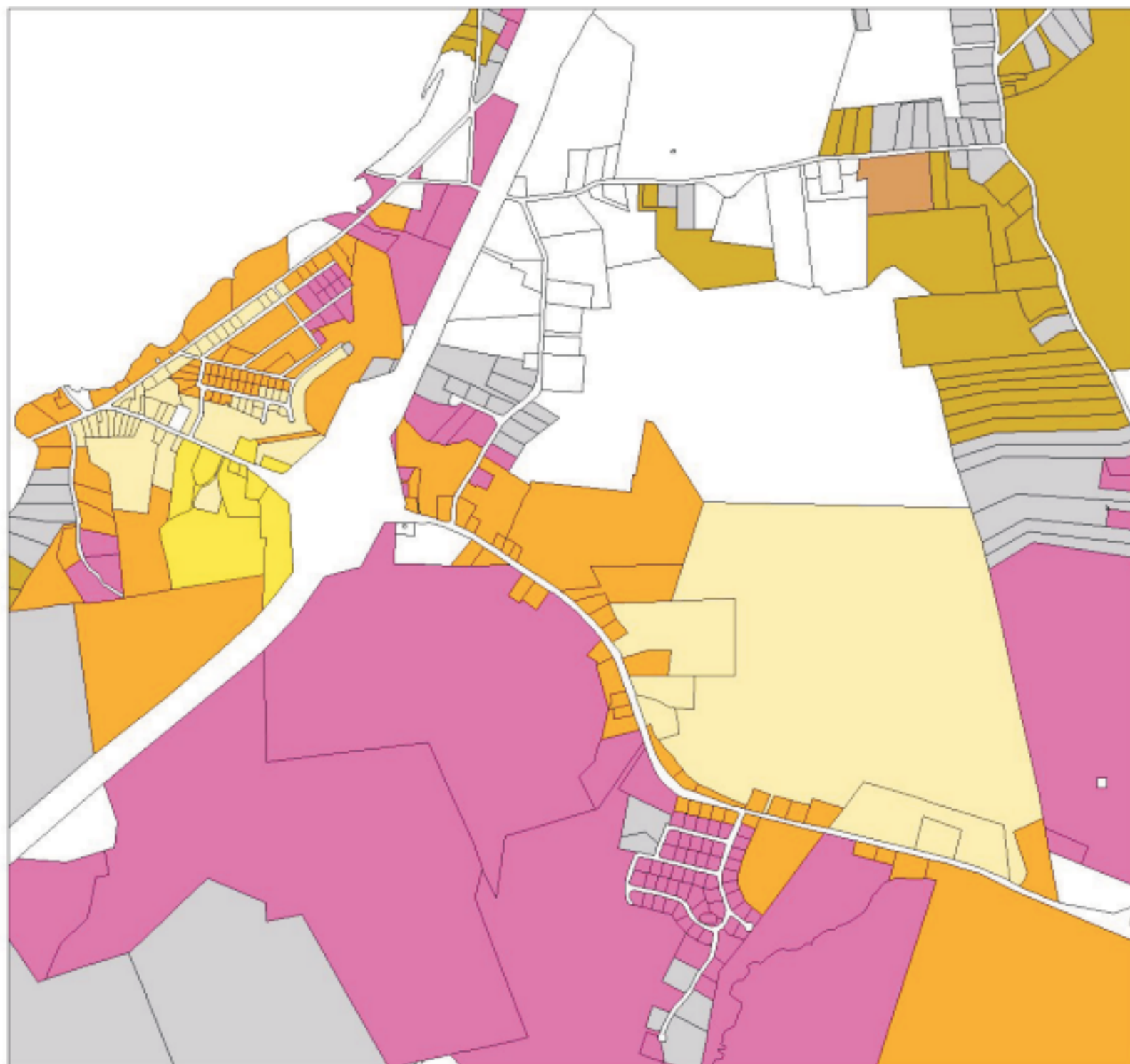
The results of the location suitability analysis in the Town of Richmond are shown on the attached Figure.

Affordable Housing Siting Analysis



Town of Richmond
Rhode Island

Affordable Housing
Siting Analysis
Wyoming Village
Close Up



Map Produced by the
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